

January 4, 2005

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "**Agreement**") is dated as of the 1st day of January, 2005 (the "**Date of Execution**") by and between the Rhode Island Economic Development Corporation, a body corporate and politic and public instrumentality of the State of Rhode Island (the "**EDC**"), and GTECH Corporation, a Delaware corporation ("**GTECH**").

WITNESSETH:

WHEREAS, GTECH is a worldwide leading provider of lottery-related goods and services serving over one-half of the state lotteries in the United States and lotteries in six continents;

WHEREAS, GTECH currently maintains its corporate headquarters and manufacturing facilities in West Greenwich, Rhode Island and desires to relocate its corporate headquarters to Providence, Rhode Island and increase its manufacturing capabilities in West Greenwich, Rhode Island;

WHEREAS, the EDC authorized the Project (as hereinafter defined) as a project of the EDC on April 28, 2003;

WHEREAS, the EDC and GTECH wish to memorialize certain incentives in the form of a sales and use tax exemption pursuant to Sections 42-64-3 and 42-64-20 of the General Laws of Rhode Island of 1956, as amended, to assist GTECH with its expansion efforts to date and further expansion of facilities and employment in the State; and

WHEREAS, the parties hereto wish to enter into this Agreement to set forth their understandings and agreements with respect to the expansion of employment by GTECH in the State, the construction of facilities in the State, and the acquisition of equipment and other personal property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the EDC and GTECH hereby agree as follows:

ARTICLE I

DEFINITIONS

As used herein, the following terms shall have the following meanings:

"**Act**" means the provisions of Title 42, Chapter 64 of the General Laws of Rhode Island of 1956, as amended.

"**Affiliate**" or "**Affiliates**" means (a) any Person that is directly or indirectly controlling or controlled by or under common control with GTECH or (b) a Person who, pursuant to contract, uses the Building to perform services for GTECH and/or any Affiliates of GTECH and, only for GTECH and/or any Affiliates of GTECH, which were previously performed by GTECH and/or any Affiliates of GTECH. For purposes of the foregoing definition, "control" (including

"controlled by") shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management policies of the person in question, whether through the ownership of voting securities, partnership interests, or by contract or otherwise.

"Agreement" has the meaning provided in the introductory paragraph.

"Building" has the meaning provided in Section 2.1.

"City" means the City of Providence, a Rhode Island municipal corporation.

"Cost Expenditure Period" means the Term of this Agreement.

"Date of Execution" has the meaning provided in the introductory paragraph.

"Designated Developer" means US Real Estate Limited Partnership, a Texas limited partnership.

"EDC" has the meaning set forth in the introductory paragraph.

"EDC Sublease" has the meaning provided in Section 3.1.

"Effective Date" means April 28, 2003.

"Employment Deadline" means December 31, 2005.

"Employment Requirement" has the meaning provided in Section 5.5.

"Event of Default" has the meaning provided in Section 6.1 with respect to GTECH and in Section 6.3 hereof with respect to the EDC.

"FTE" means a full time equivalent employee, which, for the purposes of this Agreement, shall mean 2,080 hours of employment of one or more individuals in a year by GTECH or an Affiliate employed in the State, which hours of employment shall include vacation time, sick time, disability time, personal time or other time for which an employer in the State must pay the employee. For purposes of this Agreement, "FTE" shall include, without limitation, employees of outsourcing and consulting service providers and temporary employees retained through an employment agency in the State. For employees who are not paid on an hourly basis, each full-time salaried employee employed for a full year shall be deemed to work 2,080 hours per year, and each salaried part-time employee shall be deemed to work a proportionate share of the 2,080 hours based on the hourly commitment set forth in such employee's job description. The hours attributed to salaried employees shall be prorated for any employees who are employed for less than a full year.

"Governmental Approvals" has the meaning provided in Section 5.1.

"Governmental Authority" means the United States, the State, the City and any political subdivision thereof, and any agency, department, commission, board, court or instrumentality thereof

"Governmental Requirements" means any and all laws, rules, regulations, orders, ordinances, statutes, codes, executive orders and requirements of all Governmental Authorities applicable to the Project Site and the Project.

"Ground Lease" has the meaning provided in Section 3.1.

"Ground Lessor" means Capital Properties, Inc., a Rhode Island corporation.

"GTECH" has the meaning set forth in the introductory paragraph.

"GTECH WaterPlace" means GTECH WaterPlace Park Company, LLC, a Delaware limited liability company and wholly-owned subsidiary of GTECH.

"Hazardous Materials" means those substances defined as "hazardous substance," "hazardous materials," or "toxic substances" in: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; Hazardous Materials Transportation Act, 42 U. S. C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; and those substances defined as "hazardous wastes" under Rhode Island law and in the regulations adopted and publications promulgated from time to time pursuant to said laws and any and all petroleum products, including, without limitation, oil and fuel oil.

"Investment Deadline" means December 31, 2008.

"Investment Requirement" has the meaning provided in Section 5.4.

"Master Contract" means that certain Master Contract dated as of May 12, 2003 by and between the Rhode Island Lottery and GTECH, as amended from time to time.

"Notice" has the meaning provided in Section 7.6.

"Office Lease" has the meaning provided in Section 3.1.

"Person" means an individual, corporation, limited liability company, partnership, joint venture, estate, REIT, trust or unincorporated association, any federal, state, county, or municipal government or any bureau, department or agency thereof, any fiduciary acting in such capacity, on behalf of any of the foregoing, or any other legal or business entity.

"Project" has the meaning provided in Section 2.1.

"Project Site" means that certain parcel of real estate located at the northeast corner of the intersection of Memorial Boulevard and Francis Street with an address of 10 Memorial Boulevard and commonly known as Parcel 9 in the Capital Center District in Providence, Rhode Island owned by the Ground Lessor.

"Rhode Island Lottery" means the Rhode Island Lottery which is a State agency, a party to the Master Contract, and a third party beneficiary of the terms hereof.

"Sales Tax" means all taxes or other charges payable by any Person under the Rhode Island Sales and Use Tax, Chapter 18 of Title 44 of the General Laws of Rhode Island of 1956, as amended, or any other taxes or charges imposed in addition to or in lieu thereof in the nature of a sales or use tax upon property used, leased or acquired in the development, construction or operation of the Project at the Project Site, including, without limitation, all building, and construction materials, personal property, furniture, fixtures and equipment (including all computer hardware and software systems and any other information systems wherever the same shall be located).

"State" means the State of Rhode Island.

"Tax Stabilization Agreement" means that certain Tax Stabilization Agreement dated as of July 15, 2003 by and among the City, the EDC and GTECH.

"Term" means from the Effective Date until the earlier of (a) the termination of the Master Contract or (b) the termination of this Agreement pursuant to the terms hereof.

"Unavoidable Delays" means delays caused by Force Majeure (as defined in Section 20.1 of the Master Contract).

"WaterPlace Sublease" has the meaning provided in Section 3.1.

ARTICLE II

THE PROJECT

Section 2.1. The Project. The project shall consist of the development, design, permitting, construction and equipping of a 210,000 square foot mixed use building, a portion of which will be used as GTECH's corporate headquarters (the **"Building"**) at the Project Site (the **"Project"**).

Section 2.2. Construction of the Project. Development, design, permitting, construction, equipping and completion of the Project and payment of all Project related costs shall be the sole responsibility of GTECH or the Designated Developer except as otherwise agreed.

ARTICLE III

LEASES PERTAINING TO PROJECT SITE AND THE PROJECT

Section 3.1. Execution of Lease and Sublease. The Ground Lessor has heretofore leased the Project Site to GTECH WaterPlace (the **"Ground Lease"**). It is contemplated that GTECH WaterPlace will sublease the Project Site to the EDC at no cost expense or liability to the EDC (the **"EDC Sublease"**). The EDC will, in turn, sublease the Project Site back to GTECH WaterPlace (**"WaterPlace Sublease"**). The Designated Developer and GTECH have executed an Office Lease reflecting a portion of the Building being leased to GTECH (the **"Office Lease"**).

Section 3.2. Designated Developer. At a mutually agreed date between GTECH WaterPlace and the Designated Developer, GTECH WaterPlace will assign all of its right, title and interest to the Ground Lease, the EDC Sublease and WaterPlace Sublease to the Designated Developer and the Designated Developer will assume all of GTECH WaterPlace's obligations under such leases.

ARTICLE IV

PRE-CONDITIONS TO EXECUTION OF DEVELOPMENT AGREEMENT

Section 4.1. Pre-Conditions to Execution of Development Agreement. The obligation of each of GTECH and the EDC under this Agreement to execute the Lease and the Sublease is subject to the satisfaction of the following conditions unless waived by the party benefiting from the condition:

(a) The EDC shall deliver an opinion of counsel for the EDC, which opinion shall be in form and substance reasonably acceptable to GTECH and shall be based on such assumptions and qualifications as are mutually acceptable, that: (i) the EDC has the power and authority to enter into the Development Agreement, the EDC Sublease and the WaterPlace Sublease and that the execution and delivery thereof and the performance by the EDC of its obligations thereunder will not violate any law or constitute an event of default under the terms or provisions of any other agreement, document or instrument to which it is a party or is bound; (ii) all necessary actions and proceedings required to be taken by or on behalf of the EDC to authorize it to make, deliver and perform the terms of the Development Agreement, the EDC Sublease and the WaterPlace Sublease have been taken prior to the execution thereof and that the Development Agreement, the EDC Sublease and the WaterPlace Sublease are valid and binding obligations of the EDC enforceable against the EDC in accordance with their terms, subject to customary exceptions for bankruptcy and the availability of equitable remedies; and (iii) neither the execution and delivery thereof, nor compliance with the terms and provisions thereof by the EDC (a) requires or will require the approval and consent of any Governmental Authority or any other party, except as expressly set forth therein, or (b) contravenes or will contravene any existing law, judgment, governmental rule, regulation or order applicable to or binding on the EDC.

(b) GTECH shall deliver an opinion of counsel for GTECH, which opinion shall be in form and substance, reasonably acceptable to the EDC and shall be based on such qualifications as are mutually acceptable, that: (i) GTECH has the power and authority to enter into the Development Agreement, the Ground Lease, the EDC Lease and the WaterPlace Sublease and that the execution and delivery thereof and the performance by GTECH of its obligations thereunder will not violate any law or constitute an event of default under the terms or provisions of any other agreement, document or instrument to which it is a party or is bound; (ii) all necessary actions and proceedings that are required to be taken by or on behalf of GTECH to authorize it to make, deliver and perform the terms of the Development Agreement, the Ground Lease, the EDC Lease and the WaterPlace Sublease have been taken prior to the execution thereof and that the Development Agreement, the Ground Lease, the EDC Lease and the WaterPlace Sublease are valid and binding obligations of GTECH enforceable against GTECH in accordance with their terms subject only to customary exceptions for bankruptcy and the

availability of equitable remedies; and (iii) neither the execution and delivery thereof, nor compliance with the terms and provisions thereof by GTECH (a) requires or will require the approval and consent of any Governmental Authority or any party, except as expressly set forth therein, or (b) contravenes or will contravene any existing law, judgment, governmental rule, regulation or order applicable to or binding on GTECH.

Section 4.2. Exemption from Sales Tax.

(a) GTECH, at its sole discretion, shall have the right to terminate this Agreement by giving notice to the EDC, in the event that the Rhode Island Division of Taxation fails, within six (6) months from the Date of Execution, to have issued a letter ruling satisfactory to GTECH that no Sales Tax will be due and payable on taxable property used in the development and construction of the Project at the Project site as set forth in Section 2.1 above and more specifically as described in this Section 4.2.

(b) The exemption from sales tax shall apply to all building materials and supplies used in the construction of the Building and which expenses are incurred during the Cost Expenditure Period.

(c) The exemption from sales tax shall apply to all building materials, supplies and furnishings used as tenant improvements in the portion of the Building subject to the Office Lease as well as all personal property purchased for use therein during the Cost Expenditure Period. All personal property for which an exemption is sought must have a useful life of more than one year.

(d) The exemption from sales tax shall not apply to any other property subject to sales tax used as tenant improvements for any tenant other than GTECH or any Affiliate of GTECH during the Cost Expenditure Period.

(e) The exemption from sales tax shall not apply to any otherwise taxable property purchases exceeding \$100,000,000 in the aggregate.

(f) GTECH and the Designated Developer will appoint an agent for sales tax refunds who shall be the sole authorized agent to submit requests to the EDC and the Rhode Island Division of Taxation. Requests for refunds shall not be submitted more than once per month and shall not be for purchases less than \$500,000 in the aggregate.

Section 4.3. Inability to Satisfy Conditions. In the event any of the conditions set forth in Section 4.1 or Section 4.2 are not satisfied after reasonable efforts are made by each party on or before the dates set forth therein, or such other date as may be mutually agreed upon, either party shall have the right to terminate this Agreement by notice to the other, whereupon this Agreement shall be deemed terminated and neither GTECH nor the EDC shall have any further rights against or obligations or liabilities to the other.

ARTICLE V

CERTAIN AGREEMENTS OF GTECH AND THE EDC

Section 5.1. Project Approvals.

(a) GTECH (or its Affiliates) or the Designated Developer (or its Affiliates) shall be responsible for obtaining all required federal, State and local development and construction permits approvals including, without limitation, all building, environmental, zoning, subdivision, traffic control, utility, sewer, electrical, mechanical, plumbing, curb cut and other permits and approvals to the extent necessary for such development, construction and operation of the Project. The EDC shall cooperate with and use reasonable efforts to cause other necessary State and municipal agencies and departments to cooperate in obtaining such permits and approvals, and each party shall execute all applications which require its signature, provided that the EDC shall not incur any liability or expense in doing so. All such permits and approvals are collectively called the "**Governmental Approvals**".

(b) The cost of obtaining Governmental Approvals, which shall include, without limitation, filing fees and reasonable fees of attorneys and consultants engaged by GTECH for such purpose, shall be the sole responsibility of GTECH or the Designated Developer.

Section 5.2. Expedited Approvals. If the Project qualifies for expedited approvals pursuant to Sections 42-1 17-1, et seq. of the General Laws of Rhode Island of 1956, as amended, and GTECH or the Designated Developer applies for such approvals, the EDC will issue a certificate of critical economic concern for the Project.

Section 5.3. [RESERVED]

Section 5.4. Investment Requirement. As part of the satisfaction of the requirement set forth in Section 6.1 of the Master Contract, as measured from the Effective Date, GTECH, its Affiliates and/or the Designated Developer on behalf of GTECH shall invest directly or indirectly a minimum of Sixty Million Dollars (\$60,000,000) ("**Investment Requirement**") in the Project, including, without limitation, expenditures to acquire the option to ground lease the Project Site and related contracts, licenses, permits and approvals and in the costs of developing, designing, permitting, constructing and equipping the Building, on or before the Investment Deadline and by which time the Building shall have become the corporate headquarters of GTECH. Upon achievement of the Investment Requirement, GTECH shall provide written certification of such achievement to the EDC.

Section 5.5. Employment Requirement: Annual Certification of Employment; Relocation of Employees

(a) By the Employment Deadline and continuing thereafter for each year of the Term, GTECH and its Affiliates shall have at least One Thousand (1,000) FTEs in the State (the "**Employment Requirement**").

(b) On or before May 31, 2005, and every six months thereafter, GTECH shall deliver to the EDC a written certification in a form reasonably acceptable to the EDC and

executed by a duly authorized officer of GTECH which states the average number of FTEs GTECH and its Affiliates had in the State during the preceding six (6) month period.

Section 5.6. Certification of Annual Benefit. Upon prior written request of the EDC, within thirty (30) days of the end of each calendar year, or at such other time as the EDC and GTECH shall mutually agree, GTECH shall deliver to the EDC a written certification, executed by a duly authorized officer of GTECH, which states the real dollar value of the Sales Tax exemption received under this Agreement by GTECH or its Affiliates in the prior calendar year.

Section 5.7. Compliance Monitoring. In addition to the monitoring of compliance by GTECH with Sections 2.1, 5.4 and 5.5 hereof, the EDC, if requested by the Rhode Island Lottery, will monitor GTECH's compliance with GTECH's obligations under Sections 3, 4 and 6 of the Master Contract. In the event of any inconsistency between Sections 6.3 and 6.4 of the Master Contract and Section 5.5 hereof, this Agreement shall control.

Section 5.8. Environmental Compliance and Indemnification. GTECH covenants and agrees that it shall comply with all Governmental Requirements relating to (a) industrial hygiene, (b) environmental conditions at, upon, under, within or about the Project Site including, but not limited to, soil and groundwater conditions, and (c) the use, generation, manufacture, production, storage or disposal of, at, upon, under, within or about the Project Site or transportation to or from the Project Site of flammable, explosive, or radioactive materials or Hazardous Materials. GTECH represents and warrants that, to the best of its knowledge, there is no deposit, storage, disposal, removal, burial, discharge, spillage, uncontrolled loss, seepage or filtration of flammable, explosive, or radioactive materials or Hazardous Materials at, upon, under, within or about the Project Site that violates any municipal, state, or federal law or regulation. GTECH hereby agrees to indemnify and hold the EDC harmless from and against any and all loss, cost, liability, claim or expense arising out of or in connection with the existence of flammable, explosive, or radioactive materials or Hazardous Materials with respect to the Project Site. The covenants, representations, warranties and indemnification contained in this Section shall survive the Date of Execution and the termination of this Agreement regardless of the means of expiration or termination.

Section 5.9. Audit Rights. Within thirty (30) days of a written request by the EDC, GTECH shall make available to the EDC at GTECH's facilities such personnel and/or payroll information as may be reasonably required to corroborate GTECH's achievements of the Employment Requirement and Investment Requirement, and such other information as may be reasonably required to corroborate information required to be provided by GTECH. The EDC also shall have the right to audit the books and records GTECH pertaining to the number of FTEs employed by GTECH in the State during any period for which GTECH has claimed a Sales Tax exemption for the Term hereof and for a period of five (5) years thereafter. Such audit shall be conducted upon reasonable advance written notice to GTECH, at a time which will not interrupt the normal business hours and at the EDC's sole cost and expense. The EDC represents and warrants that it shall maintain the confidentiality of any and all confidential or proprietary information it receives or acquires during an audit and further represents and warrants that it will only publicly release the following information as obtained through or as a result of its Audit Rights: (i) the number of FTE jobs maintained at the Project and the cumulative wage data related thereto; and (ii) a dollar value comparison regarding the actual investment by GTECH

with respect to the Project and the Investment Requirement. The EDC shall have the right to audit under this Section 5.9 during the term of the Lease and the Sublease and for a period of five (5) years after the expiration or termination thereof.

Section 5.10. Payment of the EDC's Attorneys' Fees. GTECH shall pay all of the EDC's reasonable attorneys' fees incurred in connection with the transactions set forth in this Agreement, the Lease and the Sublease.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.1. Events of Default by GTECH. The occurrence of any of the following shall be an "**Event of Default**" by GTECH under this Agreement:

(a) Subject to Unavoidable Delays, the failure of GTECH to observe, comply with or perform one or more of the material terms and conditions hereof, which failure is not cured within sixty (60) days following notice (which notice shall specify the nature of the alleged default and the action the EDC believes is reasonably necessary to cure such default if capable of cure) from the EDC to GTECH of such failure;

(b) If GTECH shall make an assignment for the benefit of creditors;

(c) If GTECH shall file a voluntary petition under Title 11 of the United States Code, or if such petition shall be filed against GTECH and an order for relief shall be entered, or if GTECH shall file a petition or an answer seeking, consenting to or acquiescing in, any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code, or any other present or future applicable federal, State or other bankruptcy or insolvency statute or law, or shall seek, or consent to, or acquiesce in the appointment of, any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of GTECH, or of all or any substantial part of its properties; or

(d) If within ninety (90) days after the commencement of a proceeding against GTECH seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, State or other bankruptcy or insolvency statute or law, such proceeding shall not be dismissed, or if, within ninety (90) days after the appointment, without the consent or acquiescence of GTECH, of any trustee, receiver, custodian, assignee, sequestrator, liquidator or other similar official of GTECH, or of all or any substantial part of its properties, such appointment shall not be vacated or stayed on appeal or otherwise, or if, within ninety (90) days after the expiration of any such stay, such appointment shall not be vacated or stayed on appeal.

Section 6.2. Remedies of the EDC.

(a) If an Event of Default by GTECH shall have occurred and shall not have been remedied within any applicable grace period provided in Section 6.1 hereof, the EDC shall have the right, at its option, to terminate this Agreement by notice to GTECH, whereupon this

Agreement shall be deemed terminated on the date designated by the EDC in such notice of termination and for the period commencing on the date that GTECH first certifies that it has satisfied the Employment Requirement pursuant to Section 5.5(b) hereof and terminating on the fifth anniversary of such date, the EDC shall be entitled to collect from GTECH the Sales Tax benefits actually received by GTECH pursuant to Section 4.2 hereof.

(b) In the event of a termination resulting from an Event of Default by GTECH, GTECH shall reimburse the State and/or the EDC, for the reasonable, documented, out-of-pocket third-party expenses actually incurred in connection with and directly related to the execution of this Agreement and the EDC's activities hereunder which have not already been reimbursed by GTECH. Except as set forth in Section 7.1(a) below, in no event shall GTECH be liable for any special, incidental, consequential or punitive damages to the EDC.

Section 6.3. Events of Default by the EDC. Subject to Unavoidable Delays, the failure of the EDC to observe, comply with or perform one or more of the material terms and conditions hereto, which failure shall not have been cured within sixty (60) days following written notice (which notice shall specify the nature of the alleged default and the action GTECH believes is reasonably necessary to cure such default if capable of cure) from GTECH to the EDC of such failure or such additional period of time as is necessary provided the EDC is proceeding diligently to cure such failure shall be an "Event of Default" by the EDC under this Agreement.

Section 6.4. Remedies of GTECH. If an Event of Default by the EDC shall have occurred and shall not have been remedied within any applicable grace period provided in Section 6.3 hereof, GTECH shall have the right, at its option, to terminate this Agreement by written notice to the EDC, whereupon this Agreement shall be deemed terminated on the date designated by GTECH in such notice of termination.

Section 6.5. Strict Performance. No failure by the EDC or GTECH to insist upon the other party's strict performance of any covenant, agreement, term or condition Agreement, or to exercise any right or remedy available to such party, and no acceptance of full or partial performance during the continuance of any Event of Default, shall constitute a waiver of any such Event of Default. No covenant, agreement, term or condition of this Agreement to be performed or complied with by either party, and no default by either party shall be waived, altered or modified, except by a written instrument executed by the other. No waiver of any default shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent default.

ARTICLE VII

MISCELLANEOUS

Section 7.1. Indemnification.

(a) GTECH shall indemnify, defend and hold the EDC and its consultants, employees, representatives, agents and contractors harmless from any and all liabilities, losses, damages, penalties, judgments, awards, claims, demands, costs, expenses, actions, lawsuits or

other proceedings arising, directly or indirectly, in whole or in part, out of the negligence or willful act or omission of GTECH or its consultants, employees, representatives, agents and contractors in connection with (i) this Agreement, or in any way with the services or work described herein, or (ii) any occurrence at the Project Site or arising in connection with the Project.

(b) The EDC shall indemnify, defend and hold GTECH and its consultants, employees, representatives, agents and contractors harmless from any and all liabilities, losses, damages, penalties, judgments, awards, claims, demands, costs, expenses, actions, lawsuits or other proceedings arising, directly or indirectly, in whole or in part, out of the negligence or act or omission of the EDC or its consultants, employees, representatives, agents and contractors in connection with this Agreement.

(c) The indemnifications set forth in this Section 7.1 shall survive any termination of this Agreement.

Section 7.2. Assignment.

(a) The EDC's Assignment. The EDC shall not assign this Agreement or any right, title or interest hereunder, without the written consent of GTECH, except that the EDC may at any time by written instrument delegate or assign to any other State agency or quasi-public entity, the State all or any of its rights, title, and interests or obligations under this Agreement, provided that the EDC shall not thereby be released from its unperformed obligations hereunder and such transfer shall not jeopardize the continued availability of the Sales Tax exemption described in Section 4.1(a) and the tax benefits set forth in the Tax Stabilization Agreement. All references to the EDC in this Agreement shall be deemed to include such delegate.

(b) GTECH's Assignment. GTECH may not assign this Agreement or any right, title or interest hereunder, without the written consent of the EDC (which such consent will not be unreasonably withheld) except to: (1) any Affiliate or (2) any Person which GTECH or any of its Affiliates utilizes, employs or contracts with in any manner in connection with the development, design, permitting, construction, financing, leasing or management of any portion of the Building and provided that GTECH shall not thereby be released from its unperformed obligations hereunder. GTECH shall provide the EDC with not less than five (5) days prior written notice of any assignment of this Agreement.

(c) Void Assignment. Any purported assignment of this Agreement or any right, title or interest hereunder not complying with this Section 7.2 shall be void and of no force or effect whatever.

Section 7.3. Consents and Approvals.

(a) All consents and approvals which may be given under this Agreement shall, as a condition of their effectiveness, be in writing. The granting of any consent or approval by a party to perform any act requiring consent or approval under the terms of this Agreement, or the failure on the part of a party to object to any such action taken without the required consent or approval, shall not be deemed a waiver by the party whose consent was required of its right to require such consent or approval for any further similar act.

(b) If it is provided that a particular consent or approval is not to be unreasonably withheld, such consent or approval also shall not be unreasonably conditioned or delayed and any matter required to be done satisfactorily or to the satisfaction of a party need only be done reasonably satisfactorily or to the reasonable satisfaction of that party.

Section 7.4. No Broker. GTECH and the EDC mutually represent and warrant that no broker to whom a commission, fee or other compensation is payable is or has been involved in or brought about the transactions contemplated by this Agreement. Each party shall indemnify and hold the other harmless from any and all claims, obligations, liabilities, costs or expenses (including reasonable attorneys' fees) incurred as a result of any claim for any other brokerage commissions, fees or other compensation by any other person or entity which alleges having acted or dealt with the indemnifying party in connection with the Project or the transactions contemplated by this Agreement. Each party's obligations under this Section shall survive the termination of this Agreement. The EDC shall pay any commission payable to CB Richard Ellis - N.E. Partners, LP in connection with this Agreement and the transactions contemplated hereby.

Section 7.5. Relationship of Parties. This Agreement is not to be construed to create a partnership or joint venture between GTECH and the EDC.

Section 7.6. All Notices, Communications, Etc. in Writing. Whenever it is provided herein that notice, demand, request, consent, approval or other communication (a "Notice") shall or may be given to, or served upon, either of the parties by the other, or whenever either of the parties desires to give or serve upon the other any Notice, each such Notice shall be in writing and shall be effective for any purpose only when received or refused, and if given or served by personal delivery, or by recognized overnight courier, in either instance as evidenced by acknowledgment of receipt, or sent by overnight delivery service or by certified mail, postage prepaid, return receipt requested, addressed as follows:

If to the EDC: Rhode Island Economic Development Corporation
One West Exchange Street
Providence, Rhode Island 02903
Attn.: Executive Director

With a copy to: Adler Pollock & Sheehan P.C.
One Citizens Plaza
Providence, Rhode Island 02903
Attn.: Robert I. Stolzman, Esq.

If to GTECH: GTECH Corporation
55 Technology Way
West Greenwich, Rhode Island 02817
Attn: General Counsel

With a copy to Edwards & Angell, LLP
2800 Financial Plaza
Providence, Rhode Island 02903
Attn: James R. McGuirk, Esq.

Any party may change the address to which notices to such party shall thereafter be given by providing written notice of such change to the other party and all other Persons listed above.

Section 7.7. Negotiated Document. The parties acknowledge that the provisions and language of this Agreement have been negotiated, and agree that no provision of this Agreement shall be construed against any party by reason of such party having drafted such provision or this Agreement.

Section 7.8. Representations. In order to induce the EDC to enter into this Agreement, GTECH hereby represents and warrants, with full knowledge that the EDC shall rely on such representations and warranties, that it is duly formed and validly existing corporation and is duly qualified to do business in the State of Rhode Island with the full power and authority to consummate the transactions contemplated hereby, and has the financial ability to perform all of its obligations hereunder. In order to induce GTECH to enter into this Agreement, the EDC hereby represents and warrants, with full knowledge that GTECH shall rely on such representations and warranties, that the EDC is a duly formed and validly existing public corporation, governmental agency and public instrumentality of the State, with full power and authority to consummate the transactions contemplated hereby. Each party hereto further represents and warrants to the other that this Agreement has been duly authorized by all necessary action on its part and has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of and enforceable against it by the other party hereto.

Section 7.9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island.

Section 7.10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument, and any of the parties or signatories hereto may execute this Agreement by signing such counterpart. A copy or facsimile of a signature shall be binding upon the signatory as if it were an original signature.

Section 7.11. Captions. The captions of this Agreement are for the purpose of convenience of reference only, and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

Section 7.12. Gender, Etc. As used in this Agreement, the masculine shall include the feminine and neuter; the singular shall include the plural; and the plural shall include the singular, as the context may require.

Section 7.13. Third Party Beneficiaries. Except as may be expressly provided to the contrary in this Agreement, nothing contained in this Agreement shall or shall be construed to confer upon any person other than GTECH, the State of Rhode Island, the Rhode Island Lottery, or the EDC any rights, remedies, privileges, benefits or causes of action to any extent whatsoever.

Section 7.14. Successors and Assigns. The agreements, terms, covenants and conditions of this Agreement shall be binding upon and inure to the benefit of the EDC and

GTECH and, except as otherwise provided herein, their respective successors and permitted assigns.

Section 7.15. Further Assurances. Each party hereto shall do all acts and things and make, execute and deliver such written instruments as shall from time to time be reasonably required to carry out the terms and provisions of this Agreement.

Section 7.16. Amendment. This Agreement and all provisions hereof may only be changed, modified, amended, supplemented, altered, waived, discharged or terminated by an instrument in writing signed by the party against whom enforcement of the change, modification, amendment, supplement, alteration, waiver, discharge or termination is sought, and, if required by any mortgage document, the applicable lender has consented thereto, and not orally.

Section 7.17. Separability. Unenforceability for any reason of any provision of this Agreement shall not limit or impair the operation or validity of any other provision of this Agreement and if any term or provision of this Agreement or the application thereof to any person or circumstance shall for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances to which it is valid or enforceable, shall not be limited, impaired or otherwise affected thereby, and each term and provision of this Agreement shall be valid and enforced to the extent permitted by law.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals as of the date first above written.

EDC:

**RHODE ISLAND ECONOMIC
DEVELOPMENT CORPORATION**

January ____, 2005

By: William J. Parsons
Name: WILLIAM J. PARSONS
Title: Deputy Director

GTECH:

GTECH CORPORATION

January 21, 2005

By: Jaymin B. Patel
Name: Jaymin B. Patel
Title: Senior Vice President and
Chief Financial Officer

PRIME SUBLEASE

THIS PRIME SUBLEASE (this "Sublease") is made as of the 22 day of March, 2005 (the "Effective Date") by and between **US REAL ESTATE LIMITED PARTNERSHIP**, a Texas limited partnership ("USAA"), and **RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**, a body corporate and politic and a public instrumentality of the State of Rhode Island ("RIEDC").

WITNESSETH:

WHEREAS, pursuant to that certain Ground Lease (Parcel 9) dated as of November 30, 2001 by and between Capital Properties, Inc., a Rhode Island corporation (the "Landlord"), and Starwood Wasserman Waterplace LLC, a Delaware limited liability company (the "Original Tenant") (as evidenced by that certain Memorandum of Lease dated as of November 30, 2001 by and between the Original Tenant and the Landlord and recorded with the Providence Land Evidence Records on December 3, 2001 at 11:28 a.m. in Book 4926 at Page 323), as amended by that certain First Amendment to Ground Lease dated as of May 23, 2002, as amended by that certain Second Amendment to Ground Lease dated as of December 20, 2002 and as amended by that certain Third Amendment to Ground Lease dated as of May 22, 2003 (the "Original Ground Lease"), the Landlord granted the Original Tenant the option to lease that certain parcel of land known as "Parcel 9" located at the northeast corner of the intersection of Francis Street and Memorial Boulevard in Providence, Rhode Island containing approximately 71,582 square feet of land and more particularly described on Exhibit A attached hereto (the "Premises"); and

WHEREAS, pursuant to that certain Assignment and Assumption of Ground Lease dated as of July 15, 2003 by and among the Original Tenant, GTECH Corporation, a Delaware corporation ("GTECH"), and the Landlord (as evidenced by that certain Memorandum of Assignment and Assumption of Ground Lease dated as of July 15, 2003 by and among the Original Tenant, GTECH and the Landlord and recorded with the Providence Land Evidence Records on July 16, 2003 at 2:33 p.m. in Book 5905 at Page 318) (the "2003 Assignment"), the Original Tenant assigned all of its right, title and interest in and to the Original Ground Lease to GTECH, GTECH accepted the assignment and assumed the obligations of the Original Tenant under the Original Ground Lease, the Landlord consented to the assignment of the Original Ground Lease by the Original Tenant to GTECH and the Landlord and GTECH amended the Original Ground Lease in certain respects; and

WHEREAS, pursuant to that certain Fourth Amendment to Ground Lease dated as of December 23, 2003 by and between the Landlord and GTECH (the "Fourth Amendment") (the Original Ground Lease, as amended by the 2003 Assignment and the Fourth Amendment, is referred to herein as the "Ground Lease"), the Landlord and GTECH amended the Original Ground Lease, as amended by the 2003 Assignment, in certain respects; and

WHEREAS, pursuant to that certain Assignment and Assumption of Ground Lease dated as of March 25, 2004 by and between GTECH and GTECH WaterPlace Park Company, LLC, a Delaware limited liability company ("GTECH WaterPlace"), and recorded with the Providence Land Evidence Records on March 26, 2004 at 11:22 a.m. in Book 6432 at Page 280, GTECH

assigned its right, title and interest in and to the Ground Lease to GTECH WaterPlace and GTECH WaterPlace accepted the assignment and assumed the obligations of GTECH under the Ground Lease; and

WHEREAS, pursuant to that certain Option Exercise Notice dated March 26, 2004 from GTECH WaterPlace to the Landlord, GTECH WaterPlace elected to exercise the Option (as defined in the Ground Lease); and

WHEREAS, the Landlord and GTECH WaterPlace executed and delivered that certain Notice of Commencement of Lease dated April 1, 2004 and recorded with the Providence Land Evidence Records on April 12, 2004 at 9:05 a.m. in Book 6460 at Page 161; and

WHEREAS, pursuant to that certain Assignment and Assumption of Ground Lease dated as of March 22, 2005 by and between GTECH WaterPlace and USAA and recorded with the Providence Land Evidence Records on March 24, 2005 at 2:08 p.m. in Book [] at Page [], GTECH WaterPlace assigned its right, title and interest in and to the Ground Lease to USAA and USAA accepted the assignment and assumed the obligations of GTECH WaterPlace under the Ground Lease; and

WHEREAS, immediately following the execution and delivery of this Sublease, RIEDC and USAA are entering into a Subordinate Sublease dated as of even date herewith, pursuant to which RIEDC will sub-sublease the Premises to USAA and USAA will sub-sublease the Premises from RIEDC.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Subleased Premises. USAA hereby subleases the Premises to RIEDC and RIEDC hereby subleases the Premises from USAA for the Sublease Term (as defined below).

2. Superior Lease.

(a) RIEDC hereby acknowledges and agrees that the interest and estate of USAA in the Premises is that of a sublessee of a leasehold interest and that this Sublease is subject and subordinated to the Ground Lease.

(b) All of the terms and conditions contained in the Ground Lease are incorporated hereby by reference as the terms and conditions of this Sublease.

(c) In no event shall USAA have any obligation to provide any service to RIEDC or to the Premises under this Sublease. RIEDC hereby grants to USAA the right to receive all of the services and benefits with respect to the Premises which are to be provided by the Landlord under the Ground Lease.

(d) USAA agrees to perform and observe all of the obligations, terms, covenants and conditions of the Ground Lease to be performed or observed by the tenant thereunder and to

indemnify, defend and hold RIEDC harmless from any loss or liability, including reasonable attorneys' fees, arising out of or by reason of or resulting from (i) USAA's failure to perform and observe the provisions of the Ground Lease or (ii) damage or injury to any person or property with respect to an occurrence during the Sublease Term, to the extent the tenant would be responsible for such occurrence under the Ground Lease.

3. Improvements.

(a) USAA shall be responsible, at its sole cost and expense, for the construction of all improvements to the Premises (the "Improvements") (i) required or permitted to be constructed by the tenant under the Ground Lease or (ii) required to be constructed by USAA pursuant to that certain First Amended and Restated Project Design and Development Agreement dated as of November 4, 2004 by and between GTECH and USAA, as amended from time to time, as the Designated Developer under that certain Development Agreement dated as of January 1, 2005 by and between RIEDC and GTECH, as amended from time to time (the "Development Agreement").

(b) At the expiration of the Sublease Term, USAA shall have the right to remove any and all improvements to the Premises (including, without limitation, the Improvements) to the extent removable by tenant under the Ground Lease, subject to any obligation to restore or repair damage to the Premises occasioned by such removal pursuant to the Ground Lease. RIEDC shall have no right in any or all of such improvements to remove or sell such improvements, whether or not removed by USAA, or in any salvage rights thereto, whether such improvements were made or paid for by the Landlord or USAA.

4. Sublease Term. The term of this Sublease (the "Sublease Term") shall commence on the Effective Date and shall expire on the day on which the term of the Development Agreement expires. USAA shall have the right and benefit of any and all rights of the tenant to extend or renew the term of the Ground Lease, the exercise of which may be given directly to the Landlord. RIEDC waives its right to receive notice of any such extension or renewal and consents to any such exercise of any such option by USAA, when and if made.

5. Rent; Other Payments. RIEDC shall pay to USAA rent at the rate of One and 00/100 Dollars (\$1.00) per year. RIEDC shall have no obligation to USAA to make any payments that the tenant under the Ground Lease is required to make, including, without limitation, (i) Base Ground Rent, (ii) Rent, (iii) Impositions and (iv) all other items, costs and charges payable by the tenant under the Ground Lease.

6. Insurance. RIEDC shall be named as an additional insured with respect to the commercial general liability insurance coverage to be maintained by USAA pursuant to the provisions of the Ground Lease. A certificate evidencing such coverage shall be furnished to RIEDC upon commencement of the Sublease Term and thereafter when and as required under the Ground Lease.

7. Consent of RIEDC. In all instances where consent of the Landlord is required under the Ground Lease, including, without limitation, consent to plans, consent to alterations,

consent to subleases and assignments and the like, it is agreed that RIEDC shall be deemed to consent when and if the Landlord shall also consent. Whenever consent of the Landlord is not required pursuant to the Ground Lease, then such consent shall not be required of RIEDC under this Sublease. RIEDC hereby waives any and all notice requirements relative to requests for consent, notice to the Landlord being deemed notice to RIEDC for the purposes of this Sublease.

8. Notices. The parties hereto agree that all notices delivered by either of them under this Sublease shall be delivered in the manner required under the Ground Lease to the parties hereto as the following addresses:

- (a) to USAA: US Real Estate Limited Partnership
9830 Colonnade Boulevard, Suite 600
San Antonio, TX 78230-2239
Attention: VP Real Estate Counsel
Fax: (210) 298-6271
Attention: VP Investments
Fax: (210) 498-9241
- (b) to RIEDC: Rhode Island Economic Development Corporation
One West Exchange Street, Fifth Floor
Providence, RI 02903

Either party, by notice to the other, may, from time to time, change its address for notice purposes.

9. Designation as "Project"; Termination of Status.

(a) RIEDC has determined pursuant to Section 42-64-3(p) of the Rhode Island General Laws of 1956, as amended, and pursuant to the Development Agreement that the Premises and the Improvements are a "project" of RIEDC and each of RIEDC, USAA and GTECH shall have all the rights and benefits afforded by such designation in accordance with applicable law.

(b) In the event that the Premises and the Improvements are no longer deemed a "project" of RIEDC, or if equivalent rights and benefits are no longer afforded to the Premises and the Improvements, RIEDC, USAA or GTECH, then, upon either USAA's written request or RIEDC's option, RIEDC shall promptly terminate this Sublease. Upon the effective date of such terminations, this Sublease and all rights and obligations not theretofore accrued thereunder shall cease and terminate.

10. Assignment by RIEDC. RIEDC shall not, without express written consent of USAA, assign its rights in this Sublease to any person, including another governmental entity, unless equivalent rights and benefits continue to be afforded to the Premises, GTECH and USAA, notwithstanding such assignment, as are currently afforded by reason of the designation of Premises as a "project" of RIEDC pursuant to Section 42-64-3(p) of the Rhode Island General Laws of 1956, as amended.


11. Applicable Law and Construction. This Sublease shall be governed by and construed in accordance with the laws of the State of Rhode Island. If any provisions of this Sublease shall, to any extent be held to be invalid, the remainder of this Sublease shall not be affected thereby. This Sublease may be amended and the provisions hereof may be waived or modified only by instruments in writing executed by the parties hereto. The titles of the several articles and sections contained herein are for convenience and shall not be considered in construing this Sublease.

IN WITNESS WHEREOF, the parties hereunto have caused this Sublease to be duly executed as of the day and year first written above.

US REAL ESTATE LIMITED PARTNERSHIP

By USAA Real Estate Company, a Delaware corporation, its general partner

Date: March 31, 2006

By 
Print Name JAMES E. LLOYD
Title VICE PRESIDENT

**RHODE ISLAND ECONOMIC
DEVELOPMENT CORPORATION**

Date: March _____, 2006


By 
Print Name RICHARD C. REED
Title DEPUTY DIRECTOR

EXHIBIT A

Description of the Premises

LOT 109, ASSESSOR'S PLAT 19
CITY OF PROVIDENCE
PROVIDENCE COUNTY, RI

BEGINNING AT A POINT ON THE EASTERLY SIDELINE OF FRANCIS STREET (VARIABLE WIDTH RIGHT OF WAY) SAID POINT ALSO BEING AT THE WESTERLY TERMINUS OF A LINE CONNECTING SAID EASTERLY SIDELINE WITH THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD (112 FEET WIDE) SAID POINT ALSO BEING DISTANT THE FOLLOWING COURSE FROM THE INTERSECTION OF THE FORMER EASTERLY SIDELINE OF FRANCIS STREET WITH THE FORMER NORTHERLY SIDELINE OF MEMORIAL BOULEVARD AS SHOWN ON RHODE ISLAND STATE HIGHWAY PLAT NO. 2526, DATED: NOVEMBER 3, 1998,

1. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 685.00 FEET, A CENTRAL ANGLE OF 01 DEGREES - 58 MINUTES - 02 SECONDS, AND AN ARC LENGTH OF 23.52 FEET TO THE POINT AND PLACE OF BEGINNING, AND FROM SAID POINT RUNNING, THENCE;
2. ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 685.00 FEET, A CENTRAL ANGLE OF 21 DEGREES - 03 MINUTES - 37 SECONDS, AND AN ARC LENGTH OF 251.79 FEET, BEARING A CHORD OF NORTH 04 DEGREES - 50 MINUTES - 19 SECONDS WEST, A CHORD DISTANCE OF 250.37 FEET TO A POINT OF TANGENCY, THENCE;
3. STILL ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, NORTH 05 DEGREES - 41 MINUTES - 29 SECONDS EAST, A DISTANCE OF 73.08 FEET TO A POINT, THENCE;
4. STILL ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, SOUTH 82 DEGREES - 37 MINUTES - 58 SECONDS EAST, A DISTANCE OF 20.01 FEET TO A POINT, THENCE;
5. STILL ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, NORTH 05 DEGREES - 41 MINUTES - 29 SECONDS EAST, A DISTANCE OF 30.01 FEET TO A POINT ON THE SOUTHERLY SIDE OF THE WOONASQUATUCKET RIVER, THENCE;
6. ALONG THE SOUTHERLY SIDE OF THE WOONASQUATUCKET RIVER, SOUTH 82 DEGREES - 37 MINUTES - 58 SECONDS EAST, A DISTANCE OF 141.44 FEET TO A POINT, THENCE;

7. ALONG THE DIVIDING LINE BETWEEN LOT 109 AND LANDS NOW OR FORMERLY OF THE CITY OF PROVIDENCE, SOUTH 24 DEGREES - 52 MINUTES - 36 SECONDS EAST, A DISTANCE OF 265.35 FEET TO A POINT ON THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD, THENCE;

8. ALONG THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD, SOUTH 65 DEGREES - 08 MINUTES - 25 SECONDS WEST, A DISTANCE OF 180.75 FEET TO A POINT OF CURVATURE, THENCE;

9. STILL ALONG THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD, ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 1144.00 FEET, A CENTRAL ANGLE OF 03 DEGREES - 32 MINUTES - 07 SECONDS, AND AN ARC LENGTH OF 70.59 FEET, BEARING A CHORD OF SOUTH 66 DEGREES - 54 MINUTES - 29 SECONDS WEST, A CHORD DISTANCE OF 70.58 FEET TO A POINT, THENCE;

10. ALONG A LINE CONNECTING THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD WITH THE EASTERLY SIDELINE OF FRANCIS STREET, NORTH 67 DEGREES - 47 MINUTES - 07 SECONDS WEST, A DISTANCE OF 34.48 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 71,582 SQUARE FEET OR 1.643 ACRES.

SUBORDINATE SUBLEASE

THIS SUBORDINATE SUBLEASE (this "Sublease") is made as of the 22 day of March, 2005 (the "Effective Date") by and between **RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**, a body corporate and politic and a public instrumentality of the State of Rhode Island ("RIEDC"), and **US REAL ESTATE LIMITED PARTNERSHIP**, a Texas limited partnership ("USAA").

WITNESSETH:

WHEREAS, pursuant to that certain Ground Lease (Parcel 9) dated as of November 30, 2001 by and between Capital Properties, Inc., a Rhode Island corporation (the "Landlord"), and Starwood Wasserman Waterplace LLC, a Delaware limited liability company (the "Original Tenant") (as evidenced by that certain Memorandum of Lease dated as of November 30, 2001 by and between the Original Tenant and the Landlord and recorded with the Providence Land Evidence Records on December 3, 2001 at 11:28 a.m. in Book 4926 at Page 323), as amended by that certain First Amendment to Ground Lease dated as of May 23, 2002, as amended by that certain Second Amendment to Ground Lease dated as of December 20, 2002 and as amended by that certain Third Amendment to Ground Lease dated as of May 22, 2003 (the "Original Ground Lease"), the Landlord granted the Original Tenant the option to lease that certain parcel of land known as "Parcel 9" located at the northeast corner of the intersection of Francis Street and Memorial Boulevard in Providence, Rhode Island containing approximately 71,582 square feet of land and more particularly described on Exhibit A attached hereto (the "Premises"); and

WHEREAS, pursuant to that certain Assignment and Assumption of Ground Lease dated as of July 15, 2003 by and among the Original Tenant, GTECH Corporation, a Delaware corporation ("GTECH"), and the Landlord (as evidenced by that certain Memorandum of Assignment and Assumption of Ground Lease dated as of July 15, 2003 by and among the Original Tenant, GTECH and the Landlord and recorded with the Providence Land Evidence Records on July 16, 2003 at 2:33 p.m. in Book 5905 at Page 318) (the "2003 Assignment"), the Original Tenant assigned all of its right, title and interest in and to the Original Ground Lease to GTECH, GTECH accepted the assignment and assumed the obligations of the Original Tenant under the Original Ground Lease, the Landlord consented to the assignment of the Original Ground Lease by the Original Tenant to GTECH and the Landlord and GTECH amended the Original Ground Lease in certain respects; and

WHEREAS, pursuant to that certain Fourth Amendment to Ground Lease dated as of December 23, 2003 by and between the Landlord and GTECH (the "Fourth Amendment") (the Original Ground Lease, as amended by the 2003 Assignment and the Fourth Amendment, is referred to herein as the "Ground Lease"), the Landlord and GTECH amended the Original Ground Lease, as amended by the 2003 Assignment, in certain respects; and

WHEREAS, pursuant to that certain Assignment and Assumption of Ground Lease dated as of March 25, 2004 by and between GTECH and GTECH WaterPlace Park Company, LLC, a Delaware limited liability company ("GTECH WaterPlace"), and recorded with the Providence Land Evidence Records on March 26, 2004 at 11:22 a.m. in Book 6432 at Page 280, GTECH

assigned its right, title and interest in and to the Ground Lease to GTECH WaterPlace and GTECH WaterPlace accepted the assignment and assumed the obligations of GTECH under the Ground Lease; and

WHEREAS, pursuant to that certain Option Exercise Notice dated March 26, 2004 from GTECH WaterPlace to the Landlord, GTECH WaterPlace elected to exercise the Option (as defined in the Ground Lease); and

WHEREAS, the Landlord and GTECH WaterPlace executed and delivered that certain Notice of Commencement of Lease dated April 1, 2004 and recorded with the Providence Land Evidence Records on April 12, 2004 at 9:05 a.m. in Book 6460 at Page 161; and

WHEREAS, pursuant to that certain Assignment and Assumption of Ground Lease dated as of March 22, 2005 by and between GTECH WaterPlace and USAA and recorded with the Providence Land Evidence Records on March 24, 2005 at 2:08 p.m. in Book [] at Page [], GTECH WaterPlace assigned its right, title and interest in and to the Ground Lease to USAA and USAA accepted the assignment and assumed the obligations of GTECH WaterPlace under the Ground Lease; and

WHEREAS, immediately prior hereto, USAA and RIEDC have entered into that certain Prime Sublease dated as of even date herewith by and between USAA and RIEDC (the "Prime Sublease"), pursuant to which USAA subleased the Premises to RIEDC and RIEDC subleased the Premises from USAA.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Sub-Subleased Premises. RIEDC hereby sub-subleases the Premises to USAA and USAA hereby sub-subleases the Premises from RIEDC for the Sublease Term (as defined below).

2. Superior Leases.

(a) USAA hereby acknowledges and agrees that the interest and estate of RIEDC in the Premises is that of a sublessee of a leasehold interest and that this Sublease is subject and subordinated to the Ground Lease and the Prime Sublease.

(b) All of the terms and conditions contained in the Ground Lease and the Prime Sublease are incorporated hereby by reference as the terms and conditions of this Sublease.

(c) In no event shall RIEDC have any obligation to provide any service to USAA or to the Premises under this Sublease. To the extent that RIEDC's performance and observance of any and all of the obligations required to be performed and observed by it under this Sublease or under the Prime Sublease by reason of the incorporation of terms and provisions of the Ground Lease or the Prime Sublease depends upon the performance and observance by the Landlord under the Ground Lease or USAA under the Prime Sublease of the analogous obligations and

requirements, it is agreed that USAA shall look to the Landlord and not to RIEDC for the performance of such obligations.

(d) USAA agrees to perform and observe all of the obligations, terms, covenants and conditions of the Ground Lease to be performed or observed by the tenant thereunder and to indemnify, defend and hold RIEDC harmless from any loss or liability, including reasonable attorneys' fees, arising out of or by reason of or resulting from (i) USAA's failure to perform and observe the provisions of the Ground Lease or (ii) damage or injury to any person or property with respect to an occurrence during the Sublease Term, to the extent the tenant would be responsible for such occurrence under the Ground Lease or the Prime Sublease, as applicable.

3. Improvements.

(a) USAA shall be responsible, at its sole cost and expense, for the construction of the Improvements.

(b) At the expiration of the Sublease Term, USAA shall have the right to remove any and all improvements to the Premises (including, without limitation, the Improvements) to the extent removable by tenant under the Ground Lease, subject to any obligation to restore or repair damage to the Premises occasioned by such removal pursuant to the Ground Lease. RIEDC shall have no right in any or all of such improvements to remove or sell such improvements, whether or not removed by USAA, or in any salvage rights thereto, whether such improvements were made or paid for by the Landlord or USAA.

4. Sublease Term. The term of this Sublease (the "Sublease Term") shall commence on the Effective Date and shall expire on the day on which the term of the Prime Sublease expires.

5. Rent; Other Payments. USAA shall pay to RIEDC rent at the rate of One and 00/100 Dollars (\$1.00) per year. In addition, USAA shall make all payments that the tenant under the Ground Lease is required to make directly to the applicable payee, including, without limitation, (i) Base Ground Rent, (ii) Rent, (iii) Impositions and (iv) all other items, costs and charges payable by the tenant under the Ground Lease.

6. Insurance. RIEDC shall be named as an additional insured with respect to the commercial general liability insurance coverage to be maintained by USAA pursuant to the provisions of the Ground Lease. A certificate evidencing such coverage shall be furnished to RIEDC upon commencement of the Sublease Term and thereafter when and as required under the Ground Lease.

7. Consent of RIEDC. In all instances where consent of the Landlord is required under the Ground Lease, including, without limitation, consent to plans, consent to alterations, consent to subleases and assignments and the like, it is agreed that RIEDC shall be deemed to consent when and if the Landlord shall also consent. Whenever consent of the Landlord is not required pursuant to the Ground Lease, then such consent shall not be required of RIEDC under

this Sublease. RIEDC hereby waives any and all notice requirements relative to requests for consent, notice to the Landlord being deemed notice to RIEDC for the purposes of this Sublease.

8. Notices. The parties hereto agree that all notices delivered by either of them under this Sublease shall be delivered in the manner required under the Ground Lease to the parties hereto as the following addresses:

- (a) to RIEDC: Rhode Island Economic Development Corporation
One West Exchange Street, Fifth Floor
Providence, RI 02903
- (b) to USAA: US Real Estate Limited Partnership
9830 Colonnade Boulevard, Suite 600
San Antonio, TX 78230-2239
Attention: VP Real Estate Counsel
Fax: (210) 298-6271
Attention: VP Investments
Fax: (210) 498-9241

Either party, by notice to the other, may, from time to time, change its address for notice purposes.

9. Designation as "Project"; Termination of Status.

(a) RIEDC has determined pursuant to Section 42-64-3(p) of the Rhode Island General Laws of 1956, as amended, and pursuant to the Development Agreement that the Premises and the Improvements are a "project" of RIEDC and each of RIEDC, USAA and GTECH shall have all the rights and benefits afforded by such designation in accordance with the Development Agreement.

(b) In the event that the Premises and the Improvements are no longer deemed a "project" of RIEDC, or if equivalent rights and benefits are no longer afforded to the Premises and the Improvements, RIEDC, USAA or GTECH, then, upon either USAA's written request or RIEDC's option, RIEDC shall promptly terminate this Sublease. Upon the effective date of such terminations, this Sublease and all rights and obligations not theretofore accrued thereunder shall cease and terminate.

10. Assignment by RIEDC. RIEDC shall not, without express written consent of USAA, assign its rights in this Sublease to any person, including another governmental entity, unless equivalent rights and benefits continue to be afforded to the Premises, GTECH and USAA, notwithstanding such assignment, as are currently afforded by reason of the designation of Premises as a "project" of RIEDC pursuant to Section 42-64-3(p) of the Rhode Island General Laws of 1956, as amended.

11. Applicable Law and Construction. This Sublease shall be governed by and construed in accordance with the laws of the State of Rhode Island. If any provisions of this

Sublease shall, to any extent be held to be invalid, the remainder of this Sublease shall not be affected thereby. This Sublease may be amended and the provisions hereof may be waived or modified only by instruments in writing executed by the parties hereto. The titles of the several articles and sections contained herein are for convenience and shall not be considered in construing this Sublease. Capitalized terms used but not defined herein shall have the meanings give such terms in the Prime Sublease.

IN WITNESS WHEREOF, the parties hereunto have caused this Sublease to be duly executed as of the day and year first written above.

**RHODE ISLAND ECONOMIC
DEVELOPMENT CORPORATION**

Date: March _____, 2006

By *Richard C. Reed*
Print Name RICHARD C. REED
Title DEPUTY DIRECTOR

US REAL ESTATE LIMITED PARTNERSHIP

By USAA Real Estate Company, a Delaware corporation, its general partner

Date: March 31, 2006

By *James E. Loyd*
Print Name JAMES E. LOYD
Title VICE PRESIDENT

EXHIBIT A

Description of the Premises

LOT 109, ASSESSOR'S PLAT 19
CITY OF PROVIDENCE
PROVIDENCE COUNTY, RI

BEGINNING AT A POINT ON THE EASTERLY SIDELINE OF FRANCIS STREET (VARIABLE WIDTH RIGHT OF WAY) SAID POINT ALSO BEING AT THE WESTERLY TERMINUS OF A LINE CONNECTING SAID EASTERLY SIDELINE WITH THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD (112 FEET WIDE) SAID POINT ALSO BEING DISTANT THE FOLLOWING COURSE FROM THE INTERSECTION OF THE FORMER EASTERLY SIDELINE OF FRANCIS STREET WITH THE FORMER NORTHERLY SIDELINE OF MEMORIAL BOULEVARD AS SHOWN ON RHODE ISLAND STATE HIGHWAY PLAT NO. 2526, DATED: NOVEMBER 3, 1998,

1. ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 685.00 FEET, A CENTRAL ANGLE OF 01 DEGREES - 58 MINUTES - 02 SECONDS, AND AN ARC LENGTH OF 23.52 FEET TO THE POINT AND PLACE OF BEGINNING, AND FROM SAID POINT RUNNING, THENCE;
2. ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 685.00 FEET, A CENTRAL ANGLE OF 21 DEGREES - 03 MINUTES - 37 SECONDS, AND AN ARC LENGTH OF 251.79 FEET, BEARING A CHORD OF NORTH 04 DEGREES - 50 MINUTES - 19 SECONDS WEST, A CHORD DISTANCE OF 250.37 FEET TO A POINT OF TANGENCY, THENCE;
3. STILL ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, NORTH 05 DEGREES - 41 MINUTES - 29 SECONDS EAST, A DISTANCE OF 73.08 FEET TO A POINT, THENCE;
4. STILL ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, SOUTH 82 DEGREES - 37 MINUTES - 58 SECONDS EAST, A DISTANCE OF 20.01 FEET TO A POINT, THENCE;
5. STILL ALONG THE EASTERLY SIDELINE OF FRANCIS STREET, NORTH 05 DEGREES - 41 MINUTES - 29 SECONDS EAST, A DISTANCE OF 30.01 FEET TO A POINT ON THE SOUTHERLY SIDE OF THE WOONASQUATUCKET RIVER, THENCE;
6. ALONG THE SOUTHERLY SIDE OF THE WOONASQUATUCKET RIVER, SOUTH 82 DEGREES - 37 MINUTES - 58 SECONDS EAST, A DISTANCE OF 141.44 FEET TO A POINT, THENCE;

7. ALONG THE DIVIDING LINE BETWEEN LOT 109 AND LANDS NOW OR FORMERLY OF THE CITY OF PROVIDENCE, SOUTH 24 DEGREES - 52 MINUTES - 36 SECONDS EAST, A DISTANCE OF 265.35 FEET TO A POINT ON THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD, THENCE;

8. ALONG THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD, SOUTH 65 DEGREES - 08 MINUTES - 25 SECONDS WEST, A DISTANCE OF 180.75 FEET TO A POINT OF CURVATURE, THENCE;

9. STILL ALONG THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD, ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 1144.00 FEET, A CENTRAL ANGLE OF 03 DEGREES - 32 MINUTES - 07 SECONDS, AND AN ARC LENGTH OF 70.59 FEET, BEARING A CHORD OF SOUTH 66 DEGREES - 54 MINUTES - 29 SECONDS WEST, A CHORD DISTANCE OF 70.58 FEET TO A POINT, THENCE;

10. ALONG A LINE CONNECTING THE NORTHERLY SIDELINE OF MEMORIAL BOULEVARD WITH THE EASTERLY SIDELINE OF FRANCIS STREET, NORTH 67 DEGREES - 47 MINUTES - 07 SECONDS WEST, A DISTANCE OF 34.48 FEET TO THE POINT AND PLACE OF BEGINNING.

CONTAINING 71,582 SQUARE FEET OR 1.643 ACRES.